



ALASKA
Bering Sea Crabbers

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alaskaberingsseacrabbers.org

August 1, 2020

Jim Sanford

Assistant U.S. Trade Representative for Market Access and Industrial Competitiveness
Office of the United States Trade Representative
600 17th Street N.W.
Washington, D.C. 20508

Drew Lawler

Deputy Assistant Secretary for International Fisheries
National Oceanic and Atmospheric Administration
1401 Constitution Avenue N.W.
Washington, D.C. 20230

Re: Request for Information, RTID 0648-XQ012, Recommendations for a Comprehensive
Interagency Seafood Trade Strategy

Dear Mr. Sanford and Mr. Lawler:

The Alaska Bering Sea Crabbers (ABSC) appreciates the opportunity to comment on the Seafood Trade Task Force's request for information to help develop a comprehensive interagency seafood trade strategy. ABSC is a trade association representing independent crab harvesters who commercially fish for king, snow (opilio), and Tanner (bairdi) crab with pot gear in the Bering Sea and Aleutian Islands Crab Rationalization Program. Alaska is known for our high quality crab; however, Canada produces more snow crab and Russia produces more king crab. Alaska crab harvest is valued at approximately \$240M first wholesale value¹, and about half of the crab harvested is exported². The main export markets for our crab are Japan and China. Some issues that affect the competitiveness of our product in foreign markets or have created export barriers are increasing tariffs, poor traceability, lack of labeling, and non-reciprocal trade with Russia.

Increasing Tariffs

One of the factors affecting the competitiveness of Alaska crab in foreign markets are the increasing tariffs we experience on our exports, particularly in China. These tariffs, combined with supply from other countries that subsidize their fisheries or from illegal, unregulated, or unreported (IUU) fisheries, undercut our prices and make it harder to sell premium Alaska crab at a price that accounts for the cost of production in the US.

¹ The Economic Value of Alaska's Seafood Industry. McDowell Group for Alaska Seafood Marketing Institute (ASMI). Jan 2020. https://uploads.alaskaseafood.org/2020/01/McDowell-Group_ASMI-Economic-Impacts-Report-JAN-2020.pdf

² Wholesale Market Profiles for Alaska Groundfish and Crab Fisheries. McDowell Group. 2016. https://www.mcdowellgroup.net/wp-content/uploads/2016/05/Wholesale_Market_Profiles_for_Alaskan_Groundfish_and_Crab_Fisheries.pdf

Poor Traceability & Need for Country of Origin Labeling

Another factor affecting the competitiveness of Alaska crab is poor traceability of foreign cooked crab imports from the point of harvest to the consumer. Improving traceability of foreign seafood would likely increase the value of US seafood which is a world leader for sustainability under the Magnuson-Stevens Fishery Conservation and Management Act. Currently, most seafood imported into the US is required to have this label. However, cooked crab is NOT required to be labeled with the country of origin. We think it is harmful to the value of our premier Alaska crab product if consumers cannot tell by required package labeling whether they are getting crab caught in the US or crab caught in another country, like Russia. Some crab imported into the US is illegally caught – likely using slave labor. We tout our product as wild, sustainably and legally caught crab from Alaska’s pristine waters and yet consumers often do not know whether the king crab they are buying is coming from a North Korean slave ship illegally fishing in Russian waters, or the responsibly run fisheries of Alaska.

Non-reciprocal Trade with Russia

A Russian embargo on imports of US seafood has been in place since 2014 and creates an unfair market advantage for Russian seafood over US seafood. For example, Alaska crab cannot be exported to Russia yet the US allows Russian crab to enter US markets duty-free, undercutting the price of our US crab. At a minimum, we should look for ways to level the playing field for our own seafood industries, such as imposing tariffs on seafood imported from Russia. We should note that while we want to level the playing field, we do not want to exclude Russian crab from the US or elsewhere. Russian crab is important to maintaining global crab markets because they have larger supplies at around 70% of the global market compared to the US at around 10-15%³. Russia can keep global markets open and viable in times when Alaska crab product is low. ABSC urges the development of a trade strategy that balances US-Russia trade arrangements by exploring tariffs on US imports of foreign crab and removing the Russian embargo.

Thank you for considering our comments. ABSC would be happy to discuss these issues with you in more detail, as desired. We encourage you to have stakeholders involved throughout the development of the strategy and to have public review of a draft once it is developed. We look forward to seeing a comprehensive interagency seafood trade strategy that better secures and promotes the value of sustainable US seafood in global markets.

Sincerely,



Jamie Goen
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³ Fisheries Update Presentation by McDowell Group for ASMI’s Oct 2019 All Hands on Deck meeting.
<https://uploads.alaskaseafood.org/2019/10/2019-All-Hands-Garrett-Evridge.pdf>